



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF INSPECTOR GENERAL
1301 CONSTITUTION AVENUE, NW
WASHINGTON DC 20004

DATE: October 15, 2021

PREPARED BY: Special Agent (b) (6), (b) (7)(C)

CASE #: OI-HQ-2021-ADM-0040

CROSS REFERENCE #: 2021-0043

TITLE: Lemos, Katherine, U.S. Chemical Safety and Hazard Investigation Board, Chairman & CEO

CASE CLOSING REPORT

Subject(s)	Location	Other Data
Lemos, Katherine	Washington D.C.	CSB Chairman/CEO

POTENTIAL VIOLATION:

18 U.S.C. § 287 – False Claims

ALLEGATIONS:

1. Taxpayer dollars were reportedly spent unethically and inappropriately by the chairman and chief executive officer of the U.S. Chemical Safety and Hazard Investigation Board. (b) (6), (b) (7)(C), (b) (3)
2. The chairman and CEO improperly hired two senior-level employees (b) (6), (b) (7)(C). Reportedly, there were no announcements for these positions.
3. (b) (6), (b) (7)(C) received 80 hours of pay in Pay Period 24 in 2020 when (b) (6) was only entitled to 40 hours of pay. Reportedly, (b) (6) was not sworn into federal service until (b) (6), (b) (7)(C)

The OI is investigating to see if there was a violation of law, abuse of authority, or violation of Agency policies and procedures.

FINDINGS:

ALLEGATION 1

The Office of Investigations learned that Katherine Lemos was given one year to relocate to the Washington D.C. area after she was confirmed by the Senate for the CSB's chairman/CEO position.

The OI received an allegation that (b) (6), (b) (7)(C), (b) (3) [REDACTED] The OI was able to narrow down this allegation to one particular trip Chairman Lemos took during the time frame from November 30, 2020, through December 4, 2020. Reportedly, Chairman Lemos was traveling during a continuing resolution. The OI was unable to find a regulation that would prohibit Chairman Lemos from traveling during a CR. To address the travel allegation, the OI reviewed Chairman Lemos's travel vouchers and noticed that Chairman Lemos's travel from her residence in (b) (6), (b) (7)(C) to Washington D.C., appeared to be for official government business.

The OI learned that Chairman Lemos traveled to Washington, D.C., to attend the White House Christmas reception that was held on December 2, 2020. The OI learned that the CSB's former director of administration informed Chairman Lemos that the reimbursement of this trip will be capped at \$2,000, due to budget constraints. If the total cost of this travel exceeded the authorized cap of \$2,000, then the extra costs will be Chairman Lemos's responsibility. This trip was the only instance where the travel budget was reportedly exceeded.

ALLEGATION 2

The U.S. Department of Interior, Interior Business Center processed a request to hire (b) (6), (b) (7)(C) [REDACTED].

According to the DOI-IBC, both positions were filled using the limited-term (b) (6), (b) (7)(C) [REDACTED]

[REDACTED]

There is no requirement for limited-term positions to be announced. Agencies have the authority to move forward with these types of appointments based on OPM approval. After receiving both (b) (6), (b) (7)(C) forms from the OPM, the Agency was able to hire both individuals.

ALLEGATION 3

The DOI-IBC processes hiring, payroll, and security clearance actions for the CSB. According to the DOI-IBC, (b) (6), (b) (7)(C) began working at the CSB on (b) (6), (b) (7)(C) 2020, prior to receiving a clearance from DOI personnel security. The DOI-IBC informed the CSB that it could not legally backdate the forms, so the effective date of each of the forms would be (b) (6), (b) (7)(C) 2020. To avoid an impact to the employee's pay, the DOI-IBC backdated the forms and processed the

action with an effective date of (b) (6), (b) (7)(C) 2020. The DOI-IBC informed the CSB that backdating the form was illegal and would be an issue when this action is audited by the OPM. The DOI-IBC stated that the employee had already onboarded without its knowledge and without clearing personnel security, so this course of action had the least impact on the new employee. Most of the DOI-IBC's process is driven and mandated by the OPM and failure to follow the sequential steps in the hiring process puts both the CSB and the DOI-IBC at risk in an audit. It could also negatively impact the employee, including impacting the pay.

DISPOSITION: Unsupported; Closed
 Unsupported: Closed
 Unsupported: Closed

This case has been referred to the Office of Special Review and Evaluation (OSRE), Administrative Investigation Division (AID) for further investigative review. All investigative leads have been completed and no further investigative activity is warranted. This investigation is closed.